

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 8/9/2012

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoking letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk-Treasurer to invoke BB&T Bank Letter of Credit No. 963136380300003 for Heathland Park Subdivision.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: 8-6-12

RESOLUTION NO. 12-_____

WHEREAS, BB&T Bank issued a certain letter of credit (No. 963136380300003), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to BB&T Bank Letter of Credit No. 963136380300003, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 8th day of August, 2012.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 8th day of August, 2012.

Mayor of the City of
Huntsville, Alabama



Heathland Park -
Sidewalks

AMENDMENT TO IRREVOCABLE STANDBY LETTER OF CREDIT

BRANCH BANKING AND TRUST COMPANY

1280 Volunteer Pky
Bristol, TN 37620

LETTER OF CREDIT NO. 9631363803 00003

DATE 08/09/2011

BENEFICIARY:

NAME City of Huntsville, Clerk-treasurer Office

ADDRESS P.O. Box 308

CITY/STATE/ZIP HUNTSVILLE, AL 35804-0000

5/10/11

FOR ACCOUNT OF

NAME MR CAROL MARTIN GATTON

ADDRESS 1000 W STATE ST

CITY/STATE/ZIP BRISTOL, TN 37620-2129

THE LETTER OF CREDIT IS HEREBY AMENDED AS FOLLOWS:

The expiration has been extended to August 13, 2012

MS
8/19/11

NW
8-19-11

August 3, 2010

1606 West State Street
Bristol, TN 37620

City of Huntsville
Clerk-Treasurer Office
P.O. Box 308
Huntsville, Alabama 35804

SW
JA

Subject: Article 5 - Sidewalk
Irrevocable Standby Letter of Credit for Heathland Park
Acct. No. 9631363803 00003
Amount: \$48,468.40
Issue Date: August 3, 2010
Expiration Date: August 13, 2011

MS
8/10/10

Gentleman:

We hereby issue this Irrevocable Standby Letter of Credit (the "Letter of Credit") in favor of the City of Huntsville, ("Beneficiary") P.O. Box 308, Huntsville, Alabama 35804, for the account of C. M. Gatton, ("Applicant") 1000 West State St, Bristol, Tennessee 37620, for a sum not to exceed the aggregate of \$48,468.40 (Forty Eight Thousand Four Hundred and Sixty Eight and 40/100 U.S. Dollars) available by your draft (s) drawn at SIGHT on us.

All draft(s) under this Irrevocable Standby Letter of Credit and in compliance with terms of this Letter of Credit prior to expiration thereof will be duly honored if drawn and presented for payment to Branch Banking and Trust Company, 305 Church Street SW, Huntsville, Alabama 35801.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

We hereby engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit shall be duly honored upon presentation and delivery of the applicable statement set out above. This Letter of Credit No. 9631363803 00003 is irrevocable and shall remain in full force and effect until August 13, 2011.

Except as otherwise expressly stated, this Letter of Credit is subject to the Uniform Customs and Practices for Documentary Letters of Credit, International Chamber of Commerce, Publication No. 500. All written demands must be marked "Drawn under Branch Banking and Trust Company Letter of Credit No. 9631363803 00003."

In connection with matters not addressed by the ICU 500 and above referenced laws, this Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same be from time to time amended.

Yours truly,

Larry M. Shaver

Larry M. Shaver
Senior Vice President
Branch Banking and Trust Company

MN
8-11-10OK
CEB
8/11/10

OK, KCA